

Certificate of Incorporation No. 2734843

ARTICLES OF ASSOCIATION

OF

Ant Bank (Hong Kong) Limited
螞蟻銀行(香港)有限公司
(formerly known as Ant SME Services
(Hong Kong) Limited
螞蟻商家服務(香港)有限公司)

Incorporated on the 16th day of August 2018

INCORPORATED IN HONG KONG

I hereby certify that this copy is a
true and complete copy of the
original.


Dated

05 JUL 2018

YU JIN SONG,
DIRECTOR

編號 2734843

No.



公 司 註 冊 處
COMPANIES REGISTRY

公 司 更 改 名 稱 證 明 書
CERTIFICATE OF CHANGE OF NAME

本人謹此證明
I hereby certify that

Ant SME Services (Hong Kong) Limited
螞蟻商家服務(香港)有限公司

已藉特別決議更改其名稱，該公司根據
having by special resolution changed its name, is now incorporated under the

香港法例第622章《公司條例》註冊的名稱現為
Companies Ordinance (Chapter 622 of the Laws of Hong Kong) in the name of

Ant Bank (Hong Kong) Limited
螞蟻銀行(香港)有限公司

本證明書於二〇一九年六月十日發出。

Issued on 10 June 2019.

香港特別行政區公司註冊處處長鍾麗玲

Ms Ada L L CHUNG

Registrar of Companies
Hong Kong Special Administrative Region

註 Note :

公司名稱獲公司註冊處註冊，並不表示獲授予該公司名稱或其任何部分的商標權或任何其他知識產權。

Registration of a company name with the Companies Registry does not confer any trade mark rights or any other intellectual property rights in respect of the company name or any part thereof.

THE COMPANIES ORDINANCE (CHAPTER 622)

Private Company Limited by Shares ARTICLES OF ASSOCIATION OF Ant SME Services (Hong Kong) Limited 螞蟻商家服務(香港)有限公司

Part A Mandatory Articles

1. Company Name The name of the company is

“Ant SME Services (Hong Kong) Limited
螞蟻商家服務(香港)有限公司”

2. Members' Liabilities

The liability of the members is limited.

3. Liabilities or Contributions of Members

The liability of the members is limited to any amount unpaid on the shares held by the members.

4. Share Capital and Initial Shareholdings (on the company's formation)

The total number of share(s) that the company proposes to issue

1

The total amount of share capital to be subscribed by the company's founder member(s)

USD1.00

(i) The amount to be paid up or to be regarded as paid up

USD1.00

(ii) The amount to remain unpaid or to be regarded as remaining unpaid

USD0.00

Class of Shares

Ordinary

The total number of share(s) in this class that the company proposes to issue

1

The total amount of share capital in this class to be subscribed by the company's founder member(s)

USD1.00

(i) The amount to be paid up or to be regarded as paid up

USD1.00

(ii) The amount to remain unpaid or to be regarded as remaining unpaid

USD0.00

I/WE, the undersigned, wish to form a company and wish to adopt the articles of association as attached, and I/we respectively agree to subscribe for the amount of share capital of the company and to take the number of share(s) in the company set opposite my/our respective name(s).

Name(s) of Founder Member(s)	Number of Share(s) and Total Amount of Share Capital
<p>For and on behalf of Alipay (Hong Kong) Investment Limited</p> <p>(SD.)</p> <p>Authorised Signatory 26/F, Tower One, Times Square 1 Matheson Street, Causeway Bay Hong Kong Corporation</p>	<p>1 Ordinary share USD1.00</p>
Total:	<p>1 Ordinary share USD1.00</p>

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Part 1

Interpretation

1. Interpretation

(1) In these articles—

alternate and **alternate director** mean a person appointed by a director as an alternate under article 32(1);

appointor see article 32(1);

articles means the articles of association of the company;

associated company means—

- (a) a subsidiary of the company;
- (b) a holding company of the company; or
- (c) a subsidiary of such a holding company;

distribution recipient means, in relation to a share in respect of which a dividend or other sum is payable—

- (a) the holder of the share;
- (b) if the share has 2 or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy or otherwise by operation of law, the transmittee;

fully paid in relation to a share, means the price at which the share was issued has been fully paid to the company;

holder in relation to a share, means the person whose name is entered in the register of members as the holder of the share;

mental incapacity has the meaning given by section 2(1) of the Mental Health Ordinance (Cap. 136);

mentally incapacitated person means a person who is found under the Mental Health Ordinance (Cap. 136) to be incapable, by reason of mental incapacity, of managing and administering his or her property and affairs;

Ordinance means the Companies Ordinance (Cap. 622);

paid means paid or credited as paid;

predecessor Ordinance means the Companies Ordinance (Cap. 32) as in force from time to time before the commencement date of section 2 of Schedule 9 of the Ordinance

proxy notice — see article 53(1);

register of members means the register of members of the company;

transmittee means a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law.

- (2) Other words or expressions used in these articles have the same meaning as in the Ordinance as in force on the date these articles become binding on the company.
- (3) For the purposes of these articles, a document is authenticated if it is authenticated in any way in which section 828(5) or 829(3) of the Ordinance provides for documents or information to be authenticated for the purposes of the Ordinance.
- (4) The model articles prescribed in Schedule 2 to the Companies (Model Articles) Notice (Cap. 622H) shall not apply to the company.

Part 2

Private Company

2. Company is private company

- (1) The company is a private company and accordingly—
 - (a) a member's right to transfer shares is restricted in the manner specified in this article;
 - (b) the number of members is limited to 50; and
 - (c) any invitation to the public to subscribe for any shares or debentures of the company is prohibited.
- (2) The directors may in their discretion refuse to register the transfer of a share.
- (3) In paragraph (1)(b)—
member excludes—
 - (a) a member who is an employee of the company; and
 - (b) a person who was a member while being an employee of the company and who continues to be a member after ceasing to be such an employee.
- (4) For the purposes of this article, 2 or more persons who hold shares in the company jointly are to be regarded as 1 member.

Part 3

Directors and Company Secretary

Division 1—Directors' Powers and Responsibilities

3. Number of directors

Unless and until otherwise determined by an ordinary resolution of the company, the directors shall be not fewer than one in number, and at least one director must be a natural person. There shall be no maximum number of directors.

4. Shareholding in the company

A director need not hold any shares in the company. A director who is not a member of the company shall nevertheless be entitled to attend and speak at general meeting.

5. Directors' general authority

- (1) Subject to the Ordinance and these articles, the business and affairs of the company are managed by the directors, who may exercise all the powers of the company.
- (2) An alteration of these articles does not invalidate any prior act of the directors that would have been valid if the alteration had not been made.
- (3) The powers given by this article are not limited by any other power given to the directors by these articles.

- (4) A directors' meeting at which a quorum is present may exercise all powers exercisable by the directors.
- (5) Subject to and to the extent permitted by the Ordinance, the company, or the directors on behalf of the company, may cause to be kept in any territory a branch register of members resident in such territory, and the directors may make and vary such regulations as they may think fit respecting the keeping of any such branch register.
- (6) All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.
- (7) Subject to the provisions of the Ordinance, the directors may exercise all the powers of the company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company and to issue debentures, debenture stocks, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the company or of any third party. Debentures, debenture stocks, bonds and other securities of the company may be made assignable free from any equities between the company and the person to whom the same may be issued, and may be issued with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the company, appointment of directors and otherwise.
- (8) The directors shall cause a proper register to be kept, in accordance with the provisions of the Ordinance, of all mortgages and charges affecting the property of the company and shall duly comply with the requirements of the Ordinance in regard to the registration of mortgages and charges therein specified and otherwise. Where any uncalled capital of the company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

6. Members' reserve power

- (1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- (2) The special resolution does not invalidate anything that the directors have done before the passing of the resolution.

7. Directors may delegate

- (1) Subject to these articles, the directors may, if they think fit, delegate any of the powers that are conferred on them under these articles—
 - (a) to any person or committee;
 - (b) by any means (including by power of attorney);
 - (c) to any extent and without territorial limit;
 - (d) in relation to any matter; and
 - (e) on any terms and conditions.
- (2) If the directors so specify, the delegation may authorize further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may—
 - (a) revoke the delegation wholly or in part; or
 - (b) revoke or alter its terms and conditions.

8. Committees

- (1) The directors may make rules providing for the conduct of business of the committees to which they have delegated any of their powers.

- (2) The committees must comply with the rules.

Division 2—Decision-taking by Directors

9. Managing directors and other appointments

- (1) The directors may, from time to time, appoint one or more of their number to be managing director or joint managing director of the company, or to hold such office in the management, administration or conduct of the business of the company as they may decide, and for such period and upon such terms and for such remuneration as the directors shall think fit, and the directors may also, from time to time (subject to the provisions of any agreement between him or them and the company) remove him or them from office, and appoint another or others in his or their place or places.
- (2) A managing director or a joint managing director (subject to the provisions of any agreement between him and the company) shall be subject to the same provisions as to resignation and removal as the other directors of the company, and shall ipso facto and immediately cease to be managing director or joint managing director if he shall cease to hold the office of director.
- (3) The directors may, from time to time, entrust to and confer upon any managing director, joint managing director or director, holding any other office in the management, administration or conduct of the business of the company, such of the powers exercisable under the articles by the directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they may consider expedient, and may confer such powers collaterally with, or to the exclusion of, and in substitution for, all or any of the powers of the directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

10. Directors to take decision collectively

- (1) A decision of the directors may only be taken—
 - (a) by a majority of the directors at a meeting; or
 - (b) in accordance with article 11.
- (2) Paragraph (1) does not apply if—
 - (a) the company only has 1 director; and
 - (b) no provision of these articles requires it to have more than one director.
- (3) If paragraph (1) does not apply, the director may take decisions without regard to any of the provisions of these articles relating to directors' decision-taking.

11. Unanimous decisions

- (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other (either directly or indirectly) by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) A reference in this article to eligible directors is a reference to directors who would have been entitled to vote on the matter if it had been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at a directors' meeting.

12. Calling directors' meetings

- (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorizing the company secretary to give such notice.
- (2) Notice of a directors' meeting must indicate—
 - (a) its proposed date and time; and
 - (b) where it is to take place.
- (3) Notice of a directors' meeting must be given to each director. Notice of a meeting of directors shall be deemed to be duly given to a director if it is given to him personally, in writing or by word of mouth, or sent to him at his last known address or any other address given by him to the company for this purpose. A director may consent to short notice of and may waive notice of any meeting and any such waiver may be retrospective.

13. Participation in directors' meetings

- (1) Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
 - (a) the meeting has been called and takes place in accordance with these articles; and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where a director is and how they communicate with each other.
- (3) If all the directors participating in a directors' meeting are not in the same place, they may regard the meeting as taking place wherever any one of them is.

14. Quorum for directors' meetings

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is 2 or one director shall constitute a quorum where the company has only one director.

15. Meetings if total number of directors less than quorum

The continuing directors may act notwithstanding any vacancy in their body, but if the total number of directors for the time being is less than the quorum required for directors' meetings, the directors must not take any decision other than a decision—

- (a) to appoint further directors; or
- (b) to call a general meeting so as to enable the members to appoint further directors.

16. Chairing of directors' meetings

- (1) The directors may appoint a director to chair their meetings.
- (2) The person appointed for the time being is known as the chairperson.
- (3) The directors may terminate the appointment of the chairperson at any time.
- (4) If the chairperson is not participating in a directors' meeting within 10 minutes of the time at which it was to start or is unwilling to chair the meeting, the participating directors may appoint one of themselves to chair it.

17. Chairperson's casting vote at directors' meetings

- (1) If the numbers of votes for and against a proposal are equal, the chairperson or other director chairing the directors' meeting has a casting vote.

- (2) Paragraph (1) does not apply if, in accordance with these articles, the chairperson or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

18. Alternates voting at directors' meetings

A director who is also an alternate director has an additional vote on behalf of each appointor who—

- (a) is not participating in a directors' meeting; and
- (b) would have been entitled to vote if he or she were participating in it.

19. Conflicts of interest

(1) This article applies if—

- (a) a director is in any way (directly or indirectly) interested in a transaction, arrangement or contract with the company that is significant in relation to the company's business; and
- (b) the director's interest is material.

(2) The director must declare the nature and extent of the director's interest to the other directors in accordance with section 536 of the Ordinance.

(3) Subject as set out in the proviso to this article and article 20, a director or his alternate shall be entitled to vote in respect of any transaction, contract or arrangement in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted, and he shall be taken into account in determining the quorum for the meeting at which any such transaction, contract or arrangement is to be considered.

20. Supplementary provisions as to conflicts of interest

(1) A director may hold any other office or position of profit under the company (other than the office of auditor and if the company has only 1 director, the office of company secretary) in conjunction with the office of director for a period and on terms (as to remuneration or otherwise) that the directors determine.

(2) A director or intending director is not disqualified by the office of director from contracting with the company—

- (a) with regard to the tenure of the other office or position of profit mentioned in paragraph (1); or
- (b) as vendor, purchaser or otherwise.

(3) The contract mentioned in paragraph (2) or any transaction, arrangement or contract entered into by or on behalf of the company in which any director is in any way interested is not liable to be avoided.

(4) A director who has entered into a contract mentioned in paragraph (2) or is interested in a transaction, arrangement or contract mentioned in paragraph (3) is not liable to account to the company for any profit realized by the transaction, arrangement or contract by reason of—

- (a) the director holding the office; or
- (b) the fiduciary relation established by the office.

(5) Paragraph (1), (2), (3) or (4) only applies if the director has declared the nature and extent of the director's interest under the paragraph to the other directors in accordance with section 536 of the Ordinance.

(6) A director of the company may be a director or other officer of, or be otherwise interested in—

- (a) any company promoted by the company; or

- (b) any company in which the company may be interested as shareholder or otherwise.
- (7) Subject to the Ordinance, the director is not accountable to the company for any remuneration or other benefits received by the director as a director or officer of, or from the director's interest in, the other company unless the company otherwise directs.
- (8) The directors may exercise the voting powers conferred by the shares in any other company held or owned by the company in such manner in all respects as the directors think fit (including the exercise thereof in favour of any resolution appointing the directors or any of them directors or other officers of such company or voting or providing for the payment of remuneration to the directors of such company) and any director of the company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or be about to be, appointed a director or other officer of such other company and as such is or may become interested in the exercise of such voting rights in manner aforesaid.
- (9) Where the company has only one member and that member is also a director, the company shall comply with section 545 of the Ordinance.

21. Validity of acts of meeting of directors

The acts of any meeting of directors or of a committee of directors or the acts of any person acting as a director are as valid as if the directors or the person had been duly appointed as a director and was qualified to be a director, even if it is afterwards discovered that—

- (a) there was a defect in the appointment of any of the directors or of the person acting as a director;
- (b) any one or more of them were not qualified to be a director or were disqualified from being a director;
- (c) any one or more of them had ceased to hold office as a director; or
- (d) any one or more of them were not entitled to vote on the matter in question.

22. Record of decisions to be kept

The directors must ensure that the company keeps a written record of every decision taken by the directors under article 10(1) for at least 10 years from the date of the decision.

23. Written record of decision of sole director

- (1) This article applies if the company has only 1 director and the director takes any decision that—
 - (a) may be taken in a directors' meeting; and
 - (b) has effect as if agreed in a directors' meeting.
- (2) The director must provide the company with a written record of the decision within 7 days after the decision is made.
- (3) The director is not required to comply with paragraph (2) if the decision is taken by way of a resolution in writing.
- (4) If the decision is taken by way of a resolution in writing, the company must keep the resolution for at least 10 years from the date of the decision.
- (5) The company must also keep a written record provided to it in accordance with paragraph (2) for at least 10 years from the date of the decision.

24. Directors' discretion to make further rules

Subject to these articles, the directors may make any rule that they think fit about—

- (a) how they take decisions; and
- (b) how the rules are to be recorded or communicated to directors.

Division 3—Appointment and Retirement of Directors

25. Appointment and retirement of directors

- (1) A person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
 - (a) by ordinary resolution; or
 - (b) by a decision of the directors.
- (2) Unless otherwise specified in the appointment, a director appointed under paragraph (1)(a) holds office for an unlimited period of time.
- (3) An appointment under paragraph (1)(b) may only be made to—
 - (a) fill a casual vacancy; or
 - (b) appoint a director as an addition to the existing directors if the total number of directors does not exceed the number fixed in accordance with these articles.
- (4) A director appointed under paragraph (1)(b) must—
 - (a) retire from office at the next annual general meeting following the appointment; or
 - (b) if the company has dispensed with the holding of annual general meetings or is not required to hold annual general meetings, retire from office before the end of 9 months after the end of the company's accounting reference period by reference to which the financial year in which the director was appointed is to be determined.

26. Retiring director eligible for reappointment

A retiring director is eligible for reappointment to the office.

27. Composite resolution

- (1) This article applies if proposals are under consideration concerning the appointment of 2 or more directors to offices or employments with the company or any other body corporate.
- (2) The proposals may be divided and considered in relation to each director separately.
- (3) Each of the directors concerned is entitled to vote (if the director is not for another reason precluded from voting) and be counted in the quorum in respect of each resolution except that concerning the director's own appointment.

28. Termination of director's appointment

A person ceases to be a director if the person—

- (a) ceases to be a director under the Ordinance or the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) or is prohibited from being a director by law;
- (b) becomes bankrupt or makes any arrangement or composition with the person's creditors generally;
- (c) becomes a mentally incapacitated person;
- (d) resigns the office of director by notice in writing of the resignation in accordance with section 464(5) of the Ordinance;
- (e) for more than 6 months has been absent without the directors' permission from directors' meetings held during that period;
- (f) is removed from the office of director by an ordinary resolution of the company; or
- (g) is convicted of an indictable offence.

29. Directors' remuneration

- (1) Directors' remuneration must be determined by the company at a general meeting.
- (2) A director's remuneration may—
 - (a) take any form; and
 - (b) include any arrangements in connection with the payment of a retirement benefit to or in respect of that director.
- (3) Directors' remuneration accrues from day to day.

30. Directors' expenses

The company may pay any travelling, accommodation and other expenses properly incurred by directors in connection with—

- (a) their attendance at—
 - (i) meetings of directors or committees of directors;
 - (ii) general meetings; or
 - (iii) separate meetings of the holders of any class of shares or of debentures of the company; or
- (b) the exercise of their powers and the discharge of their responsibilities in relation to the company.

Division 4—Reserve Directors

31. Nomination of reserve directors

- (a) If the company has only one member and that member is also the sole director of the company, the company may in general meeting nominate a person (other than a body corporate) who has attained the age of 18 years as a reserve director to act in place of the sole director in the event of his death.
- (b) The nomination of a person as a reserve director ceases to have effect if, in accordance with section 455(2) of the Ordinance:-
 - (a) the person resigns as reserve director;
 - (b) the company at a general meeting revokes the nomination; or
 - (c) the director in respect of whom the person was nominated ceases to be the sole member and sole director of the company for any reason other than the death of that director.

Division 5—Alternate Directors

32. Appointment and removal of alternates

- (1) A director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors.
- (2) An alternate may exercise the powers and carry out the responsibilities of the alternate's appointor, in relation to the taking of decisions by the directors in the absence of the alternate's appointor.
- (3) An appointment or removal of an alternate by the alternate's appointor must be effected—
 - (a) by notice to the company; or
 - (b) in any other manner approved by the directors.
- (4) The notice must be authenticated by the appointor.
- (5) The notice must—

- (a) identify the proposed alternate; and
 - (b) if it is a notice of appointment, contain a statement authenticated by the proposed alternate indicating the proposed alternate's willingness to act as the alternate of the appointor.
- (6) If an alternate is removed by resolution of the directors, the company must as soon as practicable give notice of the removal to the alternate's appointor.

33. Rights and responsibilities of alternate directors

- (1) An alternate director has the same rights as the alternate's appointor in relation to any decision taken by the directors under article 10(1).
- (2) Unless these articles specify otherwise, alternate directors—
 - (a) are deemed for all purposes to be directors;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their appointors; and
 - (d) are deemed to be agents of or for their appointors.
- (3) A person who is an alternate director but not a director—
 - (a) may be counted as participating for determining whether a quorum is participating (but only if that person's appointor is not participating); and
 - (b) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).
- (4) An alternate director must not be counted or regarded as more than one director for determining whether—
 - (a) a quorum is participating; or
 - (b) a directors' written resolution is adopted.
- (5) An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director.
- (6) But the alternate's appointor may, by notice in writing made to the company, direct that any part of the appointor's remuneration be paid to the alternate.

34. Termination of alternate directorship

- (1) An alternate director's appointment as an alternate terminates—
 - (a) if the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
 - (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
 - (c) on the death of the alternate's appointor; or
 - (d) when the alternate's appointor's appointment as a director terminates.
- (2) If the alternate was not a director when appointed as an alternate, the alternate's appointment as an alternate terminates if—
 - (a) the approval under article 32(1) is withdrawn or revoked; or
 - (b) the company by an ordinary resolution passed at a general meeting terminates the appointment.

Division 6—Directors' Indemnity and Insurance

35. Indemnity

- (1) A director or former director of the company may be indemnified out of the company's assets against any liability incurred by the director to a person other than the company or an associated company of the company in connection with any negligence, default, breach of duty or breach of trust in relation to the company or associated company (as the case may be).
- (2) Paragraph (1) only applies if the indemnity does not cover—
 - (a) any liability of the director to pay—
 - (i) a fine imposed in criminal proceedings; or
 - (ii) a sum payable by way of a penalty in respect of non-compliance with any requirement of a regulatory nature; or
 - (b) any liability incurred by the director—
 - (i) in defending criminal proceedings in which the director is convicted;
 - (ii) in defending civil proceedings brought by the company, or an associated company of the company, in which judgment is given against the director;
 - (iii) in defending civil proceedings brought on behalf of the company by a member of the company or of an associated company of the company, in which judgment is given against the director;
 - (iv) in defending civil proceedings brought on behalf of an associated company of the company by a member of the associated company or by a member of an associated company of the associated company, in which judgment is given against the director; or
 - (v) in connection with an application for relief under section 903 or 904 of the Ordinance in which the Court refuses to grant the director relief.
- (3) A reference in paragraph (2)(b) to a conviction, judgment or refusal of relief is a reference to the final decision in the proceedings.
- (4) For the purposes of paragraph (3), a conviction, judgment or refusal of relief—
 - (a) if not appealed against, becomes final at the end of the period for bringing an appeal; or
 - (b) if appealed against, becomes final when the appeal, or any further appeal, is disposed of.
- (5) For the purposes of paragraph (4)(b), an appeal is disposed of if—
 - (a) it is determined, and the period for bringing any further appeal has ended; or
 - (b) it is abandoned or otherwise ceases to have effect.

36. Insurance

The directors may decide to purchase and maintain insurance, at the expense of the company, for a director of the company, or a director of an associated company of the company, against—

- (a) any liability to any person attaching to the director in connection with any negligence, default, breach of duty or breach of trust (except for fraud) in relation to the company or associated company (as the case may be); or
- (b) any liability incurred by the director in defending any proceedings (whether civil or criminal) taken against the director for any negligence, default, breach of duty or breach of trust (including fraud) in relation to the company or associated company (as the case may be).

Division 7—Company Secretary

37. Appointment and removal of company secretary

- (1) The directors may appoint a company secretary for a term, at a remuneration and on conditions they think fit.
- (2) The directors may remove a company secretary appointed by them.
- (3) A director of a company may be a company secretary of the company subject to paragraphs (4) and (5).
- (4) The director who is the sole director of the company must not also be a company secretary of the company.
- (5) No company having only one director may have as company secretary of the company a body corporate the sole director of which is the sole director of the company.

Part 4

Decision-taking by Members

Division 1—Organization of General Meetings

38. General meetings

- (1) Subject to sections 611, 612 and 613 of the Ordinance, the company must, in respect of each financial year of the company, hold a general meeting as its annual general meeting in accordance with section 610 of the Ordinance.
- (2) The directors may, if they think fit, call a general meeting.
- (3) If the directors are required to call a general meeting under section 566 of the Ordinance, they must call it in accordance with section 567 of the Ordinance.
- (4) If the directors do not call a general meeting in accordance with section 567 of the Ordinance, the members who requested the meeting, or any of them representing more than one half of the total voting rights of all of them, may themselves call a general meeting in accordance with section 568 of the Ordinance.

39. Notice of general meetings

- (1) An annual general meeting must be called by notice of at least 21 days in writing.
- (2) A general meeting other than an annual general meeting must be called by notice of at least 14 days in writing.
- (3) The notice is exclusive of—
 - (a) the day on which it is served or deemed to be served; and
 - (b) the day for which it is given.
- (4) The notice must—
 - (a) specify the date and time of the meeting;
 - (b) specify the place of the meeting (and if the meeting is to be held in 2 or more places, the principal place of the meeting and the other place or places of the meeting);
 - (c) state the general nature of the business to be dealt with at the meeting;
 - (d) for a notice calling an annual general meeting, state that the meeting is an annual general meeting;
 - (e) if a resolution (whether or not a special resolution) is intended to be moved at the meeting—
 - (i) include notice of the resolution; and

- (ii) include or be accompanied by a statement containing any information or explanation that is reasonably necessary to indicate the purpose of the resolution;
 - (f) if a special resolution is intended to be moved at the meeting, specify the intention and include the text of the special resolution; and
 - (g) contain a statement specifying a member's right to appoint a proxy under section 596(1) and (3) of the Ordinance.
- (5) Paragraph (4)(e) does not apply in relation to a resolution of which—
- (a) notice has been included in the notice of the meeting under section 567(3) or 568(2) of the Ordinance; or
 - (b) notice has been given under section 615 of the Ordinance.
- (6) Despite the fact that a general meeting is called by shorter notice than that specified in this article, it is regarded as having been duly called if it is so agreed—
- (a) for an annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - (b) in any other case, by a majority in number of the members entitled to attend and vote at the meeting, being a majority together representing at least 95% of the total voting rights at the meeting of all the members.

40. Persons entitled to receive notice of general meetings

- (1) Notice of a general meeting must be given to—
 - (a) every member; and
 - (b) every director.
- (2) In paragraph (1), the reference to a member includes a transmittee, if the company has been notified of the transmittee's entitlement to a share.
- (3) If notice of a general meeting or any other document relating to the meeting is required to be given to a member, the company must give a copy of it to its auditor (if more than one auditor, to everyone of them) at the same time as the notice or the other document is given to the member.

41. Accidental omission to give notice of general meetings

Any accidental omission to give notice of a general meeting to, or any non-receipt of notice of a general meeting by, any person entitled to receive notice does not invalidate the proceedings at the meeting.

42. Attendance and speaking at general meetings

- (1) A person is able to exercise the right to speak at a general meeting when the person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions that the person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when—
 - (a) the person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (b) the person's vote can be taken into account in determining whether or not those resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any 2 or more members attending it are in the same place as each other.

- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have rights to speak and vote at the meeting, they are able to exercise them.

43. Quorum for general meetings

- (1) Two members present in person or by proxy constitute a quorum at a general meeting.
- (2) If the company has only one member, one member present in person or by proxy (or if the member is a corporation, a duly authorized representative of that member) constitutes a quorum at a general meeting.
- (3) No business other than the appointment of the chairperson of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

44. Chairing general meetings

- (1) If the chairperson (if any) of the board of directors is present at a general meeting and is willing to preside as chairperson at the meeting, the meeting is to be presided over by him or her.
- (2) The directors present at a general meeting must elect one of themselves to be the chairperson if—
 - (a) there is no chairperson of the board of directors;
 - (b) the chairperson is not present within 15 minutes after the time appointed for holding the meeting;
 - (c) the chairperson is unwilling to act; or
 - (d) the chairperson has given notice to the company of the intention not to attend the meeting.
- (3) The members present at a general meeting must elect one of themselves to be the chairperson if—
 - (a) no director is willing to act as chairperson; or
 - (b) no director is present within 15 minutes after the time appointed for holding the meeting.
- (4) A proxy may be elected to be the chairperson of a general meeting by a resolution of the company passed at the meeting.

45. Attendance and speaking by non-members

- (1) Directors may attend and speak at general meetings, whether or not they are members of the company.
- (2) The chairperson of a general meeting may permit other persons to attend and speak at a general meeting even though they are not—
 - (a) members of the company; or
 - (b) otherwise entitled to exercise the rights of members in relation to general meetings.

46. Adjournment

- (1) If a quorum is not present within half an hour from the time appointed for holding a general meeting, the meeting must—
 - (a) if called on the request of members, be dissolved; or
 - (b) in any other case, be adjourned to the same day in the next week, at the same time and place, or to another day and at another time and place that the directors determine.
- (2) If at the adjourned meeting, a quorum is not present within half an hour from the time appointed for holding the meeting, the member or members present in person or by proxy constitute a quorum.

- (3) The chairperson may adjourn a general meeting at which a quorum is present if—
 - (a) the meeting consents to an adjournment; or
 - (b) it appears to the chairperson that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (4) The chairperson must adjourn a general meeting if directed to do so by the meeting.
- (5) When adjourning a general meeting, the chairperson must specify the date, time and place to which it is adjourned.
- (6) Only the business left unfinished at the general meeting may be transacted at the adjourned meeting.
- (7) If a general meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as for an original meeting.
- (8) If a general meeting is adjourned for less than 30 days, it is not necessary to give any notice of the adjourned meeting.

Division 2—Voting at General Meetings

47. General rules on voting

- (1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these articles.
- (2) If there is an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place or at which the poll is demanded, is entitled to a second or casting vote.
- (3) On a vote on a resolution on a show of hands at a general meeting, a declaration by the chairperson that the resolution—
 - (a) has or has not been passed; or
 - (b) has been passed by a particular majority,is conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- (4) An entry in respect of the declaration in the minutes of the meeting is also conclusive evidence of that fact without the proof.

48. Errors and disputes

- (1) Any objection to the qualification of any person voting at a general meeting may only be raised at the meeting or adjourned meeting at which the vote objected to is tendered, and a vote not disallowed at the meeting is valid.
- (2) Any objection must be referred to the chairperson of the meeting whose decision is final.

49. Demanding a poll

- (1) A poll on a resolution may be demanded—
 - (a) in advance of the general meeting where it is to be put to the vote; or
 - (b) at a general meeting, either before or on the declaration of the result of a show of hands on that resolution.
- (2) A poll on a resolution may be demanded by—
 - (a) the chairperson of the meeting;
 - (b) at least 2 members present in person or by proxy; or
 - (c) any member or members present in person or by proxy and representing at least 5% of the total voting rights of all the members having the right to vote at the meeting.

- (3) The instrument appointing a proxy is regarded as conferring authority to demand or join in demanding a poll on a resolution.
- (4) A demand for a poll on a resolution may, before the poll is taken, be withdrawn but only with the consent of the chairperson and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

50. Number of votes a member has

- (1) On a vote on a resolution on a show of hands at a general meeting—
 - (a) every member present in person has 1 vote; and
 - (b) every proxy present who has been duly appointed by a member entitled to vote on the resolution has 1 vote.
- (2) If a member appoints more than one proxy, the proxies so appointed are not entitled to vote on the resolution on a show of hands.
- (3) On a vote on a resolution on a poll taken at a general meeting—
 - (a) every member present in person has 1 vote for each share held by him or her; and
 - (b) every proxy present who has been duly appointed by a member has 1 vote for each share in respect of which the proxy is appointed.
- (4) This article has effect subject to any rights or restrictions attached to any shares or class of shares.
- (5) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of the shares in the company have been paid.

51. Votes of joint holders of shares

- (1) For joint holders of shares, only the vote of the most senior holder who votes (and any proxies duly authorized by the holder) may be counted.
- (2) For the purposes of this article, the seniority of a holder of a share is determined by the order in which the names of the joint holders appear in the register of members.

52. Votes of mentally incapacitated members

- (1) A member who is a mentally incapacitated person may vote, whether on a show of hands or on a poll, by the member's committee, receiver, guardian or other person in the nature of a committee, receiver or guardian appointed by the Court.
- (2) The committee, receiver, guardian or other person may vote by proxy on a show of hands or on a poll.

53. Content of proxy notices

- (1) A proxy may only validly be appointed by a notice in writing (**proxy notice**) that—
 - (a) states the name and address of the member appointing the proxy;
 - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
 - (c) is authenticated, or is signed on behalf of the member appointing the proxy; and
 - (d) is delivered to the company in accordance with these articles and any instructions contained in the notice of the general meeting in relation to which the proxy is appointed.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) If the company requires or allows a proxy notice to be delivered to it in electronic form, it may require the delivery to be properly protected by a security arrangement it specifies.

- (4) A proxy notice may specify how the proxy appointed under it is to vote (or that the proxy is to abstain from voting) on one or more resolutions dealing with any business to be transacted at a general meeting.
- (5) Unless a proxy notice indicates otherwise, it must be regarded as—
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the general meeting; and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

54. Execution of appointment of proxy on behalf of member appointing the proxy

If a proxy notice is not authenticated, it must be accompanied by written evidence of the authority of the person who executed the appointment to execute it on behalf of the member appointing the proxy.

55. Delivery of proxy notice and notice revoking appointment of proxy

- (1) A proxy notice does not take effect unless it is received by the company—
 - (a) for a general meeting or adjourned general meeting, at least 48 hours before the time appointed for holding the meeting or adjourned meeting; and
 - (b) for a poll taken more than 48 hours after it was demanded, at least 24 hours before the time appointed for taking the poll.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking the appointment only takes effect if it is received by the company—
 - (a) for a general meeting or adjourned general meeting, at least 48 hours before the time appointed for holding the meeting or adjourned meeting; and
 - (b) for a poll taken more than 48 hours after it was demanded, at least 24 hours before the time appointed for taking the poll.

56. Effect of member's voting in person on proxy's authority

- (1) A proxy's authority in relation to a resolution is to be regarded as revoked if the member who has appointed the proxy—
 - (a) attends in person the general meeting at which the resolution is to be decided; and
 - (b) exercises, in relation to the resolution, the voting right attached to the shares in respect of which the proxy is appointed.
- (2) A member who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of the meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of the member.

57. Effect of proxy votes in case of death, mental incapacity, etc. of member appointing the proxy

- (1) A vote given in accordance with the terms of a proxy notice is valid despite—
 - (a) the previous death or mental incapacity of the member appointing the proxy;
 - (b) the revocation of the appointment of the proxy or of the authority under which the appointment of the proxy is executed; or
 - (c) the transfer of the share in respect of which the proxy is appointed.
- (2) Article 57(1) does not apply if notice in writing of the death, mental incapacity, revocation or transfer is received by the company—

- (a) for a general meeting or adjourned general meeting, at least 48 hours before the time appointed for holding the meeting or adjourned meeting; and
- (b) for a poll taken more than 48 hours after it was demanded, at least 24 hours before the time appointed for taking the poll.

58. Corporate representatives

- (1) Any body corporate which is a member of the company may, by resolution of its directors or other governing body, authorise any person as it thinks fit to act as its representative at any meeting of the company or of any class of members of the company, and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual member of the company.
- (2) The written evidence of the authority of the corporate representative to act on behalf of the body corporate member must be supplied to the company.

59. Amendments to proposed resolutions

- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
 - (a) notice of the proposed amendment is given to the company secretary in writing; and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.
- (2) The notice must be given by a person entitled to vote at the general meeting at which it is to be proposed at least 48 hours before the meeting is to take place (or a later time the chairperson of the meeting determines).
- (3) A special resolution to be proposed at a general meeting may be amended by ordinary resolution if—
 - (a) the chairperson of the meeting proposes the amendment at the meeting at which the special resolution is to be proposed; and
 - (b) the amendment merely corrects a grammatical or other non-substantive error in the special resolution.
- (4) If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the vote on that resolution remains valid unless the Court orders otherwise.

Division 3—Application of Rules to Class Meetings

60. Class meetings

The provisions of these articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

Division 4 – Members’ Written Resolution and Records of Members’ Decisions

61. Written resolutions by members

- (1) Subject to the provisions of the Ordinance, a resolution in writing signed by all the members entitled to vote on the resolution on the circulation date and at the time that the first copy of the resolution is sent (or, being corporations, by their duly authorised representatives), before the end of 28 days beginning on the circulation date shall be as valid and effective as if the same had been passed at a general meeting of the company, duly convened and held.
- (2) The signatures need not be on a single document provided each is on a document which accurately stated the terms of the resolution.

- (3) The date of the resolution means when the resolution is signed by or on behalf of the last member to sign.
- (4) Following the passing of a resolution as written resolution by all members, the company must send a notice of that fact to every member and the auditors of the company within 15 days thereafter.
- (5) Where the company has only one member and that member takes any decision that may be taken by the company in general meeting and that has effect as if agreed by the company in general meeting, the member shall (unless that decision is taken by way of a written resolution agreed in accordance with Section 548 of the Ordinance) provide the company with a written record of that decision within 7 days after the decision is made.

62. Records of members' decisions to be kept

- (1) The company must keep (and the directors must ensure the company keeps) written records comprising:
 - (a) copies of all resolutions of members passed otherwise than at general meetings;
 - (b) minutes of all proceedings of general meetings; and
 - (c) all written records provided to the company in accordance with section 617(2) of the Ordinance or section 116BC(1) of the predecessor Ordinance.
- (2) The company must keep the copies, minutes or written records under Articles 61(1) for at least 10 years from the date of the resolution, meeting or decision, as the case may be.

Part 5 Shares and Distributions

Division 1—Issue of Shares

63. Powers to issue different classes of shares

- (1) Without affecting any special rights previously conferred on the holders of any existing shares or class of shares, the company may issue shares with—
 - (a) preferred, deferred or other special rights; or
 - (b) any restrictions, whether in regard to dividend, voting, return of capital or otherwise, that the company may from time to time by ordinary resolution determine.
- (2) Subject to Division 4 of Part 5 of the Ordinance, the company may issue shares on the terms that they are to be redeemed, or liable to be redeemed, at the option of the company or the holders of the shares.
- (3) The directors may determine the terms, conditions and manner of redemption of the shares.

Division 2—Interests in Shares

64. Company only bound by absolute interests

- (1) Except as required by law, no person is to be recognized by the company as holding any share on any trust.
- (2) Except as otherwise required by law or these articles, the company is not in any way to be bound by or recognize any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.
- (3) Paragraph (2) applies even though the company has notice of the interest.

65. Joint holders of shares

Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the following provisions:-

- (a) the company shall not be bound to register more than three persons as the holders of any shares except in the case of the legal personal representative of a deceased members;

- (b) the joint holders of any shares shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such shares;
- (c) on the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised by the company as having any title to such shares, but the directors may require such evidence of death as they may deem fit;
- (d) any one of such joint holders may give effectual receipts for any dividend, return of capital or other payment in the share; and
- (e) the company shall be at liberty to treat the person whose name stands first in the Register as one of the joint holders of any shares as solely entitled to delivery of the certificate relating to such shares, or to receive notices from the company, and to attend and vote at general meetings of the company, and any notice given to such person shall be deemed notice to all the joint holders; but any one of such joint holders may be appointed the proxy of the persons entitled to vote on behalf of such joint holders, and as such proxy to attend and vote at general meetings of the company, and if more than one of such joint holders be present at any meeting personally or by proxy that one so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof.

Division 3—Share Certificates

66. Certificates to be issued except in certain cases

- (1) The company must issue each member, free of charge, with one or more certificates in respect of the shares that the member holds, within—
 - (a) 2 months after allotment or lodgment of a proper instrument of transfer; or
 - (b) any other period that the conditions of issue provide.
- (2) No certificate may be issued in respect of shares of more than one class.
- (3) If more than one person holds a share, only 1 certificate may be issued in respect of it.

67. Contents and execution of share certificates

- (1) A certificate must specify—
 - (a) in respect of how many shares and of what class the certificate is issued;
 - (b) the fact that the shares are fully paid; and
 - (c) any distinguishing numbers assigned to them.
- (2) A certificate must—
 - (a) have affixed to it the company's common seal or the company's official seal under section 126 of the Ordinance; or
 - (b) be otherwise executed in accordance with the Ordinance.

68. Consolidated share certificates

- (1) A member may request the company, in writing, to replace—
 - (a) the member's separate certificates with a consolidated certificate; or
 - (b) the member's consolidated certificate with 2 or more separate certificates representing the proportion of the shares that the member specifies.
- (2) A consolidated certificate must not be issued unless any certificates that it is to replace have first been returned to the company for cancellation.
- (3) Separate certificates must not be issued unless the consolidated certificate that they are to replace has first been returned to the company for cancellation.

69. Replacement share certificates

- (1) If a certificate issued in respect of a member's shares is defaced, damaged, lost or destroyed, the member is entitled to be issued with a replacement certificate in respect of the same shares.
- (2) A member exercising the right to be issued with a replacement certificate—
 - (a) may at the same time exercise the right to be issued with a single certificate, separate certificates or a consolidated certificate;
 - (b) must return the certificate that is to be replaced to the company if it is defaced or damaged; and
 - (c) must comply with the conditions as to evidence, indemnity and the payment of a reasonable fee that the directors decide.

Division 4—Transfer and Transmission of Shares

70. Transfer of shares

- (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of both the transferor and the transferee. Every instrument of transfer shall be lodged at the company's registered office for registration accompanied by the certificate relating to the shares to be transferred and such other evidence as the directors may require in relation thereto. All instruments of transfer which shall be registered shall be retained by the company but, save where fraud is suspected, any instrument of transfer which the directors may decline to register shall, on demand, be returned to the person depositing the same.
- (2) No fee may be charged by the company for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (3) The company may retain any instrument of transfer that is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) There shall be paid to the company in respect of the registration of a transfer and of any Grant of Probate or Letters of Administration, Certificate of Marriage or Death, Power of Attorney or other document relating to or affecting the title to any share or the making of any entry in the Register affecting the title to any share such fee (if any) as the directors may from time to time require or prescribe.

71. Power of directors to refuse transfer of shares

- (1) Without limiting article 2(2), the directors may refuse to register the transfer of a share if—
 - (a) the instrument of transfer is not lodged at the company's registered office or another place that the directors have appointed;
 - (b) the instrument of transfer is not accompanied by the certificate for the share to which it relates, or other evidence the directors reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf; or
 - (c) the transfer is in respect of more than one class of shares.
- (2) If the directors refuse to register the transfer of a share under paragraph (1) or article 2(2)—
 - (a) the transferor or transferee may request a statement of the reasons for the refusal; and

- (b) the instrument of transfer must be returned to the transferor or transferee who lodged it unless the directors suspect that the proposed transfer may be fraudulent.
- (3) The instrument of transfer must be returned in accordance with paragraph (2)(b) together with a notice of refusal within 2 months after the date on which the instrument of transfer was lodged with the company.
- (4) If a request is made under paragraph (2)(a), the directors must, within 28 days after receiving the request—
 - (a) send the transferor or transferee who made the request a statement of the reasons for the refusal; or
 - (b) register the transfer.
- (5) The registration of transfers may be suspended at such times and for such periods as the directors may, in accordance with Section 632 of the Ordinance, from time to time determine and either generally or in respect of any class of shares.

72. Transmission of shares

If a member dies, the company may only recognize the following person or persons as having any title to a share of the deceased member—

- (a) if the deceased member was a joint holder of the share, the surviving holder or holders of the share; and
- (b) if the deceased member was a sole holder of the share, the legal personal representative of the deceased member.

73. Transmittees' rights

- (1) If a transmittee produces evidence of entitlement to the share as the directors properly require, the transmittee may, subject to these articles, choose to become the holder of the share or to have the share transferred to another person.
- (2) The directors have the same right to refuse or suspend the registration as they would have had if the holder had transferred the share before the transmission.
- (3) A transmittee is entitled to the same dividends and other advantages to which the transmittee would be entitled if the transmittee were the holder of the share, except that the transmittee is not, before being registered as a member in respect of the share, entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.
- (4) The directors may at any time give notice requiring a transmittee to choose to become the holder of the share or to have the share transferred to another person.
- (5) If the notice is not complied with within 90 days of the notice being given, the directors may withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

74. Exercise of transmittees' rights

- (1) If a transmittee chooses to become the holder of a share, the transmittee must notify the company in writing of the choice.
- (2) Within 2 months after receiving the notice, the directors must—
 - (a) register the transmittee as the holder of the share; or
 - (b) send the transmittee a notice of refusal of registration.
- (3) If the directors refuse registration, the transmittee may request a statement of the reasons for the refusal.

- (4) If a request is made under paragraph (3), the directors must, within 28 days after receiving the request—
- (a) send the transmittee a statement of the reasons for the refusal; or
 - (b) register the transmittee as the holder of the share.
- (5) If the transmittee chooses to have the share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- (6) All the limitations, restrictions and other provisions of these articles relating to the right to transfer and the registration of transfer of shares apply to the notice under paragraph (1) or the transfer under paragraph (5), as if the transmission had not occurred and the transfer were a transfer made by the holder of the share before the transmission.

75. Transmittees bound by prior notices

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members.

Division 5—Alteration and Reduction of Share Capital, Share Buy-backs and Allotment of Shares

76. Alteration of share capital

The company may by ordinary resolution alter its share capital in any one or more of the ways set out in section 170(2)(a), (b), (c), (d), (e) and (f)(i) of the Ordinance, and section 170(3), (4), (5), (6), (7) and (8) of the Ordinance applies accordingly.

77. Reduction of share capital

The company may by special resolution reduce its share capital in accordance with Division 3 of Part 5 of the Ordinance.

78. Share buy-backs

The company may buy back its own shares (including any redeemable shares) in accordance with Division 4 of Part 5 of the Ordinance.

79. Allotment of shares

The directors must not exercise any power conferred on them to allot shares in the company without the prior approval of the company by resolution if the approval is required by section 140 of the Ordinance.

Division 6—Distributions

80. Procedure for declaring dividends

- (1) The company may at a general meeting declare dividends, but a dividend must not exceed the amount recommended by the directors.
- (2) The directors may from time to time pay the members interim dividends that appear to the directors to be justified by the profits of the company.
- (3) The directors may retain any dividend or other moneys payable on or in respect of a share on which the company has a lien, and may apply the same in or towards satisfaction of the debts and liabilities in respect of which the lien exists.
- (4) A dividend may only be paid out of the profits in accordance with Part 6 of the Ordinance.

- (5) Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.
- (6) Before recommending any dividend, the directors may set aside out of the profits of the company any sums they think fit as reserves.
- (7) The directors may—
 - (a) apply the reserves for any purpose to which the profits of the company may be properly applied; and
 - (b) pending such an application, employ the reserves in the business of the company or invest them in any investments (other than shares of the company) that they think fit.
- (8) The directors may also without placing the sums to reserve carry forward any profits that they think prudent not to divide.

81. Payment of dividends and other distributions

- (1) If a dividend or other sum that is a distribution is payable in respect of a share, it must be paid by one or more of the following means—
 - (a) transfer to a bank account specified by the distribution recipient either in writing or as the directors decide;
 - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors decide;
 - (c) sending a cheque made payable to the specified person by post to the specified person at the address the distribution recipient has specified either in writing or as the directors decide;
 - (d) any other means of payment as the directors agree with the distribution recipient either in writing or as the directors decide.
- (2) In this article—

specified person means a person specified by the distribution recipient either in writing or as the directors decide.

82. No interest on distributions

The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

- (a) the terms on which the share was issued; or
- (b) the provisions of another agreement between the holder of the share and the company.

83. Unclaimed distributions

- (1) If dividends or other sums are payable in respect of shares and they are not claimed after having been declared or become payable, they may be invested or made use of by the directors for the benefit of the company until claimed.
- (2) The payment of the dividends or other sums into a separate account does not make the company a trustee in respect of it.
- (3) A distribution recipient is no longer entitled to a dividend or other sum and it ceases to remain owing by the company, if—
 - (a) 12 years have passed from the date on which the dividend or other sum became due for payment; and
 - (b) the distribution recipient has not claimed it.

84. Non-cash distributions

- (1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).
- (2) For paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, if any difficulty arises regarding the distribution—
 - (a) fixing the value of any assets;
 - (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
 - (c) vesting any assets in trustees.

85. Waiver of distributions

- (1) Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by executing to the company a deed to that effect.
- (2) But if the share has more than one holder or more than one person is entitled to the share (whether by reason of the death or bankruptcy of one or more joint holders, or otherwise), the deed is not effective unless it is expressed to be executed by all the holders or other persons entitled to the share.

Division 7—Capitalization of Profits

86. Capitalization of profits

- (1) The company may by ordinary resolution on the recommendation of the directors capitalize profits.
- (2) If the capitalization is to be accompanied by the issue of shares or debentures, the directors may apply the sum capitalized in the proportions in which the members would be entitled if the sum was distributed by way of dividend.
- (3) To the extent necessary to adjust the rights of the members among themselves if shares or debentures become issuable in fractions, the directors may make any arrangements they think fit, including the issuing of fractional certificates or the making of cash payments or adopting a rounding policy.

Division 8—Calls on Shares

87. Calls on unpaid shares

- (1) Subject to the terms of the issue of the shares, the directors may from time to time make calls to the members in respect of any or all moneys unpaid on their shares and any such call may be made payable by instalments.
- (2) Each member will, subject to receiving at least 14 days' notice specifying the time or times and place for payment, pay to the company the amount called on his shares and at the time or times and place so specified. The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, any of the members will not invalidate the call.

88. Time of call

A call will be deemed to have been made at the time when the resolution of the directors authorising such call was passed. A call may be revoked, varied or postponed as the directors may determine.

89. Interest payable on calls not paid

- (1) If any part of a sum called in respect of any shares or any instalment of a call is not paid before or on the day appointed for payment, the person from whom the sum is due will be liable to pay interest on the outstanding part-
 - (a) at a rate determined by the directors; and
 - (b) from the day appointed for the payment of such call or instalment to the time of discharge thereof in full.
- (2) The directors may, if they think fit, waive the payment of such interest or any part of it.

90. Terms of issue

- (1) If, by the terms of the issue of any shares or otherwise, any amount is made payable upon allotment or at any fixed time, every such amount will be payable as if it was a call duly made and payable on the date on which by the terms of the issue the same becomes payable.
- (2) All the provisions with respect to the payment of calls and interest payable, or to the forfeiture of shares for non-payment of calls, will apply to every such amount and the shares in respect of which it is payable in the case of non-payment.

91. Advance payments on unpaid shares

The directors may, if they think fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him. Upon payment of such moneys in advance, the directors may pay interest at such rate as may be agreed upon between that member and the directors until the same would, but for such payment in advance, become presently payable. The directors may also at any time repay the amount so advanced upon giving to such member 1 month's notice in writing.

92. Evidence of debt

- (1) On the trial or hearing of any action for the recovery of any money due for any call, proof of all of the following will be conclusive evidence of the debt:
 - (a) the name of the member sued is entered in the register of members as the holder, or one of the holders, of the shares in respect of which such debt accrued;
 - (b) the resolution making the call is duly recorded in the minute book; and
 - (c) the notice of such call was duly given to the member sued in pursuance of these articles.
- (2) It will not be necessary to prove the appointment of the directors who made such call nor any other matters whatsoever.

93. Entitlement to dividend and voting

No member will, unless the directors otherwise determine, be entitled to receive any dividend, or, subject to the Ordinance, to receive notice of or to be present or vote at any general meeting, either personally or (save as proxy for another member) by proxy, or to exercise any privileges as a member, or be reckoned in a quorum, until he has paid all calls or other sums for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

Division 9—Forfeiture

94. Notice to pay

If any member fails to pay in full any call or instalment of a call on the day appointed for payment, the directors may serve a notice on that member requiring that member to pay so much of the call or instalment as is unpaid together with interest accrued and any expenses incurred by reason of such non-payment.

95. Contents of notice

The notice is required to contain:

- (1) The further day (not being less than fourteen days from the date of the notice) on or before which such call or instalment or part thereof and all interest accrued and expenses incurred by reason of such non-payment are to be paid;
- (2) The place where payment is to be made, such place being either the company's registered office, or some other place at which calls of the company are usually made payable; and
- (3) The consequences of failure to comply with the notice, being in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call or instalment is payable will be liable to be forfeited.

96. Directors' resolution to forfeit shares

If the member fails to comply with the requirements of the notice in this Division, any shares in respect of which such notice has been given may, at any time before the payment required by the notice had been made, be forfeited by a resolution of the directors to that effect and any such forfeiture will extend to all dividends declared in respect of the shares so forfeited but not actually paid before such forfeiture. The directors may accept the surrender of any shares liable to be forfeited under this Division and in such case references in these articles to forfeiture will include surrender.

97. Disposal of forfeited shares

For the purposes of this article, any shares forfeited pursuant to this Division will be deemed to be the property of the company and may be sold, re-allotted or otherwise disposed of either subject to or discharged from all calls made or instalments due prior to the forfeiture, to any person and on the terms, manner and times as decided by the directors. For the purpose of giving effect to any such sale or other disposition, the directors may authorise some person to transfer the shares so sold or otherwise disposed of to the purchaser or any other person becoming entitled to such shares.

98. Annulment of forfeiture

The directors may, at any time before any forfeited shares have been sold, re-allotted or otherwise disposed of under this Division, annul the forfeiture on conditions as they think fit.

99. Continuing liability of member

Any person whose shares have been forfeited will cease to be the holder of any such shares but will remain liable to pay to the company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate as the directors think fit and without any deduction or allowance for the value of the shares at the time of forfeiture. The directors may enforce the payment of such moneys or any part such moneys and may waive payment of such interest wholly or in part.

100. Record of forfeited shares

When any shares have been forfeited, an entry will be made in the register of members recording the forfeiture, the date of forfeiture. When the forfeited shares have been sold or otherwise disposed of, an entry will also be made of the manner and date of its sale or disposal.

Division 10—Lien

101. Company to have first and paramount lien

- (1) The company will have a first and paramount lien on:

- (a) every share for all moneys outstanding in respect of such share, whether presently payable or not; and
 - (b) every share standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the company, whether the same have been incurred before or after notice to the company of any interest of any person other than such member and whether the same have fallen due for payment or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member or not.
- (2) The directors may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be wholly or in part exempt from the provisions of this article.

102. Sale of shares

- (1) Subject to paragraph (2), the company may sell in such manner as the directors think fit any share on which the company has a lien, but no sale can be made unless:
- (a) some sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable.
- (2) Before a sale under paragraph (1) can be made, the company must provide to the holder of the share or the person entitled to the share by reason of the holder's death, bankruptcy or winding-up or otherwise by operation of law or court order, a notice of intention to sell in default.

103. Proceeds of sale

The net proceeds of such sale after payment of the costs of such sale will be applied in or towards payment or satisfaction of the debts or liabilities in respect of the lien to the extent they are presently payable. Any residue will (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. To give effect to any such sale, the directors may authorise some person to transfer the shares so sold to the purchaser.

104. Statutory declaration as conclusive evidence

A statutory declaration in writing that the declarant is a director or the secretary of the company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the company on a date stated in the declaration will be conclusive evidence of the facts stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the company for the consideration (if any) given for the share on the sale, re-allotment or disposal of the share together with the share certificate delivered to a purchaser or allottee will (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of will be registered as the holder of the share and will not be bound to see to the application of the purchase money (if any) nor will his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

Part 6

Miscellaneous Provisions

Division 1—Communications to and by Company

105. Means of communication to be used

- (1) Subject to these articles, anything sent or supplied by or to the company under these articles may be sent or supplied in any way in which Part 18 of the Ordinance provides for documents or information to be sent or supplied by or to the company for the purposes of the Ordinance.
- (2) Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such a notice or document for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Division 2—Administrative Arrangements

106. Company seals

- (1) The directors may procure a common seal to be made for the company, and shall provide for the safe custody thereof. Unless otherwise determined by the directors, if the company has a common seal, the seal shall not be affixed to any document except by the authority of a resolution of the directors or a committee of directors and every document to which the seal shall be affixed shall be signed by one director or some other person appointed by the directors for the purpose.
- (2) A common seal must be a metallic seal having the company's name engraved on it in legible form.
- (3) Subject to paragraph (2), the directors may decide by what means and in what form a common seal or official seal (whether for use outside Hong Kong or for sealing securities) is to be used.
- (4) If the company has a common seal, the company may exercise all the powers of having official seals conferred by the Ordinance and such powers shall be vested in the directors.
- (5) If the company has an official seal for use outside Hong Kong, it may only be affixed to a document if its use on the document, or documents of a class to which it belongs, has been authorized by a decision of the directors.
- (6) If the company has an official seal for sealing securities, it may only be affixed to securities by the company secretary or a person authorized to apply it to securities by the company secretary.

107. No right to inspect accounts and other records

A person is not entitled to inspect any of the company's accounting or other records or documents merely because of being a member, unless the person is authorized to do so by—

- (a) an enactment;
- (b) an order under section 740 of the Ordinance;
- (c) the directors; or
- (d) an ordinary resolution of the company.

108. Auditor's insurance

- (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for an auditor of the company, or an auditor of an associated company of the company, against—
 - (a) any liability to any person attaching to the auditor in connection with any negligence, default, breach of duty or breach of trust (except for fraud) occurring in the course of performance of the duties of auditor in relation to the company or associated company (as the case may be); or
 - (b) any liability incurred by the auditor in defending any proceedings (whether civil or criminal) taken against the auditor for any negligence, default, breach of duty or breach of trust (including fraud) occurring in the course of performance of the duties of auditor in relation to the company or associated company (as the case may be).
- (2) In this article, a reference to performance of the duties of auditor includes the performance of the duties specified in section 415(6)(a) and (b) of the Ordinance.

109. Winding up

- (1) If the company is wound up and a surplus remains after the payment of debts proved in the winding up, the liquidator—
 - (a) may, with the required sanction, divide amongst the members in specie or kind the whole or any part of the assets of the company (whether they consist of property of the same kind or not) and may, for this purpose, set a value the liquidator thinks fair on any property to be so divided; and
 - (b) may determine how the division is to be carried out between the members or different classes of members.
- (2) The liquidator may, with the required sanction, vest the whole or part of those assets in trustees on trust for the benefit of the contributories that the liquidator, with the required sanction, thinks fit, but a member must not be compelled to accept any shares or other securities on which there is any liability.
- (3) In this article—

required sanction means the sanction of a special resolution of the company and any other sanction required by the Ordinance.